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This Listing Statement is compiled by the Exchange from documents filed by the Company in making application for listing. It is issued for the information of members, member firms and member corporations of the Exchange. It is not and is not to be construed as a prospectus. The Exchange has received no consideration in connection with the issue of this Listing Statement other than the customary listing fee. The documents referred to above are open for inspection at the general office of the Exchange.

LISTING STATEMENT NO. 2465.

LISTED NOVEMBER 2, 1970.
5,000,000 shares with 50¢ par value.
Stock Symbol "ADN"
Post Section 4.3.

THE TORONTO STOCK EXCHANGE

LISTING STATEMENT

ADANAC MINING AND EXPLORATION LTD. (N.P.L.)

Incorporated under the British Columbia Companies Act by
Registration of Memorandum and Articles of Association—June 2, 1966

1. Address of the Company's Head Office and of any other offices:
- Head Office: 1300-355 Burrard Street, Vancouver 1, British Columbia;
Management Office: 908-1111 West Hastings Street, Vancouver 1, British Columbia;
Registered Office: 801-900 West Hastings Street, Vancouver 1, British Columbia.

2. Officers of the Company:

Office Held	Name	Address	Occupation
Chairman of the Board	G. Clinton Snell	1755-30th Avenue West Vancouver British Columbia	Executive
President	Richard F. J. Newsom	21808-86A Avenue Langley British Columbia	Prospector and Mining Executive
Vice-President	James C. Snell	7929 Hadden Avenue Fort Langley British Columbia	Geologist and Mining Executive
Treasurer	Robert Hughes	18628-58th Avenue Cloverdale British Columbia	Accountant
Secretary	Bryan J. Reynolds	3050 West 43rd Avenue Vancouver British Columbia	Barrister and Solicitor

3. Directors of the Company:

Name	Address	Occupation
G. Clinton Snell	1755-30th Avenue West Vancouver, British Columbia	Executive
Richard F. J. Newsom	21808-86A Avenue Langley, British Columbia	Prospector and Mining Executive
John D. Pelletier	5386 Eglinton Burnaby, British Columbia	Mining Engineer
James C. Snell	7929 Hadden Avenue Fort Langley, British Columbia	Geologist and Mining Executive
Robert Hughes	18628-58th Avenue Cloverdale, British Columbia	Accountant
Winslow W. Bennett	1341 Matthews Avenue Vancouver, British Columbia	Executive
Perry V. Eakin	5121 Armenia Avenue Tampa, Florida	Retired

25. Particulars of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	None.																																																								
26. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	<table><tr><th>Investment</th><th>Cost</th><th>Market (September 2, 1970)</th></tr><tr><td>Arctic Gold and Silver Mines Limited (N.P.L.) 100,000 shares</td><td>\$184,000</td><td>\$25,000</td></tr></table>	Investment	Cost	Market (September 2, 1970)	Arctic Gold and Silver Mines Limited (N.P.L.) 100,000 shares	\$184,000	\$25,000																																																		
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27. Enumerate fully each of the following property classifications, giving claim or property numbers, approximate acreage, townships and mining camp or oil field:	(a) <i>Properties Owned Where Title Vests in Company</i> RUBY CREEK MOLYBDENUM PROPERTY The Company is the beneficial owner of the following 60 located mineral claims comprising approximately 2,900 acres located approximately 28 miles by road northeast of Atlin, British Columbia, in the Atlin Mining Division of British Columbia: <table><tr><th>Claim Name</th><th>Record Number</th></tr><tr><td>Pacific No. 1 - No. 2</td><td>8278 - 8279</td></tr><tr><td>Adera No. 1 - No. 12</td><td>8101 - 8112</td></tr><tr><td>Key No. 1 - No. 20</td><td>8765 - 8784</td></tr><tr><td>Key No. 21 - No. 32</td><td>8827 - 8838</td></tr><tr><td>Key No. 33 - No. 38</td><td>8839 - 8844</td></tr><tr><td>Key No. 39 - No. 44</td><td>8845 - 8850</td></tr><tr><td>Boy No. 1 Fr.</td><td>13210H</td></tr><tr><td>Boy No. 2 Fr.</td><td>13211H</td></tr></table> The above claims are recorded in the name of Kerr Addison Mines Limited and are held in trust by Kerr Addison for the Company pursuant to the terms of the Joint Venture Agreement dated April 24, 1970, between the Company and Kerr Addison, which Agreement is described in Item 40. <i>Additional Properties</i> The Company is the beneficial and recorded owner of a further 118 located mineral claims comprising approximately 3,800 acres also situated in the Atlin Mining Division of British Columbia in the vicinity of the Ruby Creek molybdenum property and described as follows: <table><tr><th>Claim Name</th><th>Record Number</th></tr><tr><td>RU 1 - 8</td><td>8280 - 8287</td></tr><tr><td>SNAFU 1 - 66</td><td>10111P - 10176P</td></tr><tr><td>MINTO 1 - 18</td><td>10177P - 10194P</td></tr><tr><td>SALLY 1 - 4</td><td>10195P - 10198P</td></tr><tr><td>TARFU 1 - 19</td><td>10538B - 10556B</td></tr><tr><td>TARFU 20</td><td>12281B</td></tr><tr><td>NI 1 - 4</td><td>8230 - 8233</td></tr></table> During 1968, the RU 1 to 8 claims were prospected and a road was built to the claims and 2 adit drifts were driven. No work has been done since the end of 1968, and no further work is contemplated. No work has been done on the other claims listed above and they are being maintained for possible use in the event of production from the Ruby Creek molybdenum property.			Claim Name	Record Number	Pacific No. 1 - No. 2	8278 - 8279	Adera No. 1 - No. 12	8101 - 8112	Key No. 1 - No. 20	8765 - 8784	Key No. 21 - No. 32	8827 - 8838	Key No. 33 - No. 38	8839 - 8844	Key No. 39 - No. 44	8845 - 8850	Boy No. 1 Fr.	13210H	Boy No. 2 Fr.	13211H	Claim Name	Record Number	RU 1 - 8	8280 - 8287	SNAFU 1 - 66	10111P - 10176P	MINTO 1 - 18	10177P - 10194P	SALLY 1 - 4	10195P - 10198P	TARFU 1 - 19	10538B - 10556B	TARFU 20	12281B	NI 1 - 4	8230 - 8233																				
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(b) Properties leased.	(b) <i>Properties Leased</i> None.																																																								
(c) Properties otherwise held.	(c) <i>Properties Otherwise Held</i> JOHNS-MANVILLE PROPERTY The following 64 located mineral claims comprising approximately 3,000 acres are situated in the Atlin Mining Division of British Columbia adjacent to the Ruby Creek molybdenum property and are owned beneficially and of record by Canadian Johns-Manville Co. Limited of Asbestos, Québec: <table><tr><th>Claim Name</th><th>Record Number</th></tr><tr><td>HOBO 1 - 8</td><td>8423 - 8430</td></tr><tr><td>HOBO 9 - 11</td><td>8455 - 8457</td></tr><tr><td>HOBO 13 - 14</td><td>8459 - 8460</td></tr><tr><td>HOBO 17 - 23</td><td>8696 - 8702</td></tr><tr><td>HOBO 47 - 48</td><td>8726 - 8727</td></tr><tr><td>HOBO 53 - 54</td><td>8680 - 8681</td></tr><tr><td>HOBO 66 - 73</td><td>9108 - 9115</td></tr><tr><td>HOBO 74 - 82</td><td>8756 - 8764</td></tr><tr><td>HOBO 89</td><td>8967</td></tr><tr><td>HOBO 133 Fr.</td><td>9730M</td></tr><tr><td>HOBO 169 Fr.</td><td>10104P</td></tr><tr><td>HOBO 216 Fr.</td><td>10484B</td></tr><tr><td>HOBO 219 Fr.</td><td>12880H</td></tr><tr><td>HOBO 220 Fr.</td><td>12881H</td></tr><tr><td>THOR 2</td><td>9012</td></tr><tr><td>THOR 4</td><td>9014</td></tr><tr><td>THOR 6</td><td>9016</td></tr><tr><td>THOR 8</td><td>9018</td></tr><tr><td>THOR 10</td><td>9020</td></tr><tr><td>THOR 12</td><td>9022</td></tr><tr><td>CLAIRE 1 - 3 Fr.</td><td>13290K - 13292K</td></tr><tr><td>CLAIRE 4 Fr.</td><td>13369K</td></tr><tr><td>AT 1 - 4</td><td>14607 - 14610(o)</td></tr><tr><td>AT 5 Fr.</td><td>14611(o)</td></tr><tr><td>AT 6</td><td>14612(o)</td></tr><tr><td>AT 19 Fr.</td><td>14624(o)</td></tr></table>			Claim Name	Record Number	HOBO 1 - 8	8423 - 8430	HOBO 9 - 11	8455 - 8457	HOBO 13 - 14	8459 - 8460	HOBO 17 - 23	8696 - 8702	HOBO 47 - 48	8726 - 8727	HOBO 53 - 54	8680 - 8681	HOBO 66 - 73	9108 - 9115	HOBO 74 - 82	8756 - 8764	HOBO 89	8967	HOBO 133 Fr.	9730M	HOBO 169 Fr.	10104P	HOBO 216 Fr.	10484B	HOBO 219 Fr.	12880H	HOBO 220 Fr.	12881H	THOR 2	9012	THOR 4	9014	THOR 6	9016	THOR 8	9018	THOR 10	9020	THOR 12	9022	CLAIRE 1 - 3 Fr.	13290K - 13292K	CLAIRE 4 Fr.	13369K	AT 1 - 4	14607 - 14610(o)	AT 5 Fr.	14611(o)	AT 6	14612(o)	AT 19 Fr.	14624(o)
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<p>27. (c)—Continued</p>	<p>Pursuant to Agreement dated March 26, 1970, which is described in Item 40, the Company has the option to lease these claims. Pursuant to the Joint Venture Agreement with Kerr Addison the option has been recorded in the name of Kerr Addison in trust for the Company.</p> <p>QUEEN CHARLOTTE PROPERTY</p> <p>The following 172 located mineral claims comprising approximately 8,600 acres are situated in the Skeena Mining Division of British Columbia in the Queen Charlotte Islands and are owned beneficially and of record by Efram Specogna and Giovanni Trinco, both of Port Clements, British Columbia:</p> <table> <tr> <th>Claim Name</th><th>Record Number</th></tr> <tr> <td>Nadisa 1 - 14</td><td>33810 - 33823 incl.</td></tr> <tr> <td>Lucia 1 - 24</td><td>33996 - 34019 incl.</td></tr> <tr> <td>Mino I - XVI incl.</td><td>32166 - 32181 incl.</td></tr> <tr> <td>Mino XVII - XXV incl.</td><td>32259 - 32267 incl.</td></tr> <tr> <td>Mino XXVI - XXXXI incl.</td><td>32321 - 32336 incl.</td></tr> <tr> <td>Mino 42 - 52 incl.</td><td>32765 - 32775 incl.</td></tr> <tr> <td>Mino 53 - 60 incl.</td><td>32809 - 32816 incl.</td></tr> <tr> <td>Mino 61 - 78 incl.</td><td>32955 - 32972 incl.</td></tr> <tr> <td>Mino 79 - 94 incl.</td><td>33690 - 33705 incl.</td></tr> <tr> <td>Mino 97 - 107 incl.</td><td>33706 - 33716 incl.</td></tr> <tr> <td>Mino 108 - 124 incl.</td><td>33793 - 33809 incl.</td></tr> <tr> <td>Tania 1 - 6 incl.</td><td>33984 - 33989 incl.</td></tr> <tr> <td>Carol 1 - 6 incl.</td><td>34079 - 34084 incl.</td></tr> </table> <p>Pursuant to Agreement dated June 19, 1970, the Company has the option to acquire these claims. The option is exercisable up to December 19, 1970, and may be exercised by the payment of \$5,000 to Messrs. Specogna and Trinco, the incorporation of a new British Columbia company, and the allotment and issuance to Messrs. Specogna and Trinco of 250,000 shares in the capital of such new company.</p> <p>The Company is in the process of having 70 additional claims staked and recorded on its behalf in the vicinity of these optioned claims.</p>	Claim Name	Record Number	Nadisa 1 - 14	33810 - 33823 incl.	Lucia 1 - 24	33996 - 34019 incl.	Mino I - XVI incl.	32166 - 32181 incl.	Mino XVII - XXV incl.	32259 - 32267 incl.	Mino XXVI - XXXXI incl.	32321 - 32336 incl.	Mino 42 - 52 incl.	32765 - 32775 incl.	Mino 53 - 60 incl.	32809 - 32816 incl.	Mino 61 - 78 incl.	32955 - 32972 incl.	Mino 79 - 94 incl.	33690 - 33705 incl.	Mino 97 - 107 incl.	33706 - 33716 incl.	Mino 108 - 124 incl.	33793 - 33809 incl.	Tania 1 - 6 incl.	33984 - 33989 incl.	Carol 1 - 6 incl.	34079 - 34084 incl.
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<p>28. Full particulars of any royalties or other charges payable upon production from each individual property.</p>	<p>See reference in Item 40 to royalty payable to Canadian Johns-Manville Co. Limited.</p>																												
<p>29. Names and addresses of vendors of any property or other assets intended to be purchased by the Company showing the consideration to be paid.</p>	<p>None.</p>																												
<p>30. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.</p>	<p>None.</p>																												
<p>31. Are any lawsuits pending or in process against the Company or any of its properties, or are there any other circumstances which might affect the Company's position or title adversely? If so explain fully.</p>	<p>None.</p>																												
<p>32. Describe plant and equipment on property or properties.</p>	<p>RUBY CREEK MOLYBDENUM PROPERTY</p> <p>The following equipment is presently on this property:</p> <p>92-man camp and ancillary buildings, assay laboratory, pilot mill and ancillary equipment, ore storage buildings, a 150-ton per shift crushing plant, 3 long-year 44 diamond drills, 2 four-year bucket front-end loaders, 1 caterpillar grader, 2 compressors, 2 underground locomotives, 8 muck cars, 4 vehicles, and miscellaneous field equipment.</p> <p>Part of the camp cook and bunkhouse equipment, the 4 vehicles, and certain of the field equipment are owned by the Company. The balance of the equipment is either owned or rented by Kerr Addison Mines Limited.</p>																												
<p>33. Describe all development accomplished and planned.</p>	<p>RUBY CREEK MOLYBDENUM PROPERTY</p> <p>To March, 1970, the Company carried out geochemical surveys on this property, constructed access roads and camp facilities, completed 38,818 feet of diamond drilling in 73 holes, carried out laboratory metallurgical tests on representative samples of the drill core recovered, and had preliminary engineering studies done in respect of the economics of the indicated ore deposit. Based on the drilling and laboratory work probable</p>																												

	<p>open pit ore reserves were calculated by Chapman, Wood & Griswold Ltd. as of November, 1969, at 69,876,000 tons at 0.141% MoS₂. As of December, 1969, geological reserves were estimated by the Company at (i) 82,329,000 tons at 0.145% MoS₂ and (ii) 12,687,000 tons, to which no grade has been assigned, based on widely spaced deep drilling with projections exceeding 200 feet.</p> <p>Since March 14, 1970, development work on this property has been carried out by Kerr Addison Mines pursuant to the aforementioned Joint Venture Agreement. To date, Kerr Addison has constructed a new access road, enlarged the camp on the property, constructed bulk sampling facilities, including receiving bins and crushing plant, erected a 100 ton-per-day pilot mill and a field assay laboratory, driven a drift 1,920 feet (as of July 31, 1970) into the deposit, and completed 9,758 feet (as of July 31, 1970) of diamond drilling in 17 holes. Total expenditure to July 31, 1970, by Kerr Addison is approximately \$1,100,000.</p> <p>Kerr Addison expects to operate the pilot mill for a period of four to six months, to establish metallurgical procedures and expected recoveries from mining of the ore body, and will continue diamond drilling as results warrant. Kerr Addison estimates that it will expend a further \$1,350,000 in completing its programme and in producing the feasibility study based upon the results of the programme.</p> <p>QUEEN CHARLOTTE PROPERTY</p> <p>During the next thirty days the Company proposes to map this property and to carry out 500 feet of diamond drilling. A report will then be prepared by Chapman, Wood & Griswold Ltd. based on the results of such drilling, and on the basis of this report a decision will be made whether or not to exercise the option to acquire this property. The Company expects to expend approximately \$20,000 in carrying out this work and having this report prepared.</p>
34. Date and author of mining or petroleum engineer's or geologist's report filed with this application and available for inspection on request.	<p>(a) Progress report and recommendations on Ruby Creek molybdenum deposit dated November, 1969, and prepared by Chapman, Wood & Griswold Ltd.</p> <p>(b) Proposed diamond drilling programme, 1970 field season, on Ruby Creek molybdenum property, dated April, 1970, and prepared by Chapman, Wood & Griswold Ltd.</p>
35. Full particulars of production to date.	None.
36. Have any dividends been paid? If so, give date, per share rate, and amount paid in dollars on each distribution.	None.
37. Name and address of the solicitor or attorney whose certificate that the applicant is a valid and subsisting company and that the shares which have been allotted and issued were legally created and are fully paid and non-assessable has been filed with the Exchange.	<p>Messrs. Lawrence & Shaw, Barristers and Solicitors 801-900 West Hastings Street, Vancouver 1, British Columbia.</p>
38. (a) Have any shares of the Company ever been listed on any other stock exchange? If so, give particulars.	Yes, Vancouver Stock Exchange.
(b) Is any application for listing the shares of the Company on any other stock exchange now pending or contemplated? If so, give particulars.	No.
(c) Has any application for listing of any shares of the Company ever been refused or deferred by any stock exchange? If so, give particulars.	No.

<p>39. Particulars of the principal business in which each officer and director has been engaged during the past five years, giving the length of time, position held and name of employing company or firm.</p>	<p>See Appendix B on page 9 for details.</p>
<p>40. The dates of and parties to and the general nature of every material contract entered into by the Company which is still in effect and is not disclosed in the foregoing.</p>	<p>A. Agreement dated September 17, 1969, as amended May 15, 1970, between the Company and Equity Mining Capital Limited ("EMC"). Pursuant to this Agreement EMC is charged with the control and management of the business and affairs of the Company, and in consideration for such services receives \$4,000 per month, and has been granted the option to purchase 140,000 treasury shares of the Company at a price of \$1.90 per share, such option open for exercise until August 31, 1971. This Agreement shall remain in effect until December 31, 1973, subject to earlier termination by either party as of December 31, 1971, or December 31, 1972.</p> <p>Mr. Winslow W. Bennett, a Director of the Company, is President of EMC; Mr. John D. Pelletier, a Director of the Company, is an officer of EMC; and Mr. Bryan Reynolds, Secretary of the Company, is Secretary of EMC.</p> <p>B. Agreement dated March 26, 1970, between the Company and Canadian Johns-Manville Co. Limited of Asbestos, Québec. Pursuant to this Agreement the Company was given the option to lease certain of the mineral claims described in Item 27 upon the following terms:</p> <ol style="list-style-type: none"> 1. The option is open to exercise until March 1, 1973, and in order that it may be maintained the Company must: <ol style="list-style-type: none"> (a) Pay to Canadian Johns-Manville: <ol style="list-style-type: none"> (i) by March 26, 1971, \$10,000 (ii) by March 26, 1972, a further \$10,000 (b) Prior to March 1, 1973, expend \$50,000 on exploration of the claims. 2. If the option is exercised the Company and Canadian Johns-Manville will enter into an Agreement pursuant to which the Company will lease the claims for a period of twenty-five years. In consideration for the grant of this lease the Company shall pay to Canadian Johns-Manville: <ol style="list-style-type: none"> (a) \$425,000 upon execution of the lease as an advance royalty in respect of the first 5,000,000 tons of molybdenum ore mined and milled by the Company from the claims; (b) A royalty equal to 10% of the net profits realized from all molybdenite or its derivatives mined and milled by the Company from the claims subsequent to the mining and milling of the first 5,000,000 tons of ore referred to above; (c) A royalty equal to 50% of the net profits realized from the processing of minerals, other than molybdenite or its derivatives, which are mined from the claims by the Company. 3. The Company may terminate the lease at any time by giving sixty days' notice in writing to Canadian Johns-Manville and after the completion of the twentieth year of the term of the lease Canadian Johns-Manville under certain circumstances may also terminate the lease by sixty days' notice in writing to the Company. <p>C. Agreement dated April 24, 1970, between the Company and Kerr Addison Mines Limited of Toronto, Ontario. Pursuant to this Agreement:</p> <ol style="list-style-type: none"> 1. Kerr Addison shall carry out a Feasibility Programme on the Ruby Creek molybdenum property (described in Item 27) and on the claims subject to the aforementioned Canadian Johns-Manville Agreement and will complete such Programme and a Feasibility Report based on the Programme by September 1, 1971. 2. If by September 1, 1971, Kerr Addison has not committed to place the properties into production, it shall have no further interest in the properties, it shall surrender the Feasibility Report to the Company and it shall pay to the Company the excess, if any, of \$2,000,000 over the amount expended by Kerr Addison on the Feasibility Programme and the Feasibility Report. 3. If by September 1, 1971, Kerr Addison commits to place the properties into production: <ol style="list-style-type: none"> (a) A joint venture will be formed in which Kerr Addison will have a 60% interest and the Company a 40% interest; (b) The joint venture will be managed by Kerr Addison; (c) Kerr Addison shall provide or arrange for, by way of loan to the joint venture, all funds required to place the properties into production and shall place the properties into production at a minimum rate of 5,000 tons per day by, subject to delays beyond the control of Kerr Addison and subject to adverse changes in the conditions for sale of molybdenum, July 1, 1973.
<p>41. Any other material facts not disclosed in the foregoing.</p>	<p>None.</p>

42.

STATEMENT SHOWING DISTRIBUTION OF ISSUED CAPITAL

as of August 27, 1970

FREE STOCK	Shares	Shares
(a) Distributed and in the hands of the public (exclusive of the promoters, officers and directors of the Company and their agents or trustees).	2,102,802	
(b) Distributed and in the hands of the promoters, officers and directors of the Company and their agents or trustees.	<u>367,800</u>	
Total free stock		2,470,602
ESCROWED OR POOLED STOCK		
(c) Held in escrow or pool as set out in Item 19 of this application		<u>525,000</u>
Total issued capital		2,995,602

RECORD OF SHAREHOLDERS	
Number of registered shareholders holding shares in class (a) above	755
Number of registered shareholders holding shares in class (b) above	11
Number of registered shareholders holding shares in class (c) above	5

43.

STATEMENT SHOWING NUMBER OF SHAREHOLDERS

as of August 27, 1970

Number		Shares
19	..... Holders of 1 — 99 shares	875
322	..... " " 100 — 499 "	58,725
135	..... " " 500 — 999 "	73,800
126	..... " " 1000 — 1999 "	144,175
52	..... " " 2000 — 2999 "	112,200
19	..... " " 3000 — 3999 "	63,050
10	..... " " 4000 — 4999 "	42,476
83	..... " " 5000 — up "	2,500,301
<u>766</u>	Stockholders	<u>Total Shares 2,995,602</u>

Dated at Vancouver, British Columbia, the 1st day of October, 1970.

ADANAC MINING AND EXPLORATION LTD. (N.P.L.)



“ROBERT HUGHES”,
Treasurer
“J. D. PELLETIER”,
Director

APPENDIX A—ITEM 21

<u>Name and Address</u>	<u>Registered Shareholdings</u>	<u>Type of Ownership</u>
Perry V. Eakin 5121 Armenia Avenue Tampa, Florida	200,000	Beneficial
Eberhard Mueller 13338-24th Avenue Crescent Beach, British Columbia	184,500 (126,500 escrowed)	Beneficial
James C. Snell 7929 Hadden Avenue Fort Langley, British Columbia	164,001 (126,500 escrowed)	Beneficial
Ward and Co. Account No. 99 c/o Canadian Imperial Bank of Commerce 1036 West Georgia Street Vancouver, British Columbia	161,700	Of record only (Beneficially owned by Equity Mining Capital Limited)
Richard F. J. Newsom 21808-86A Avenue Langley, British Columbia	161,000 (126,500 escrowed)	Beneficial

APPENDIX B—ITEM 39

<u>Officer or Director</u>	<u>Principal Business</u>
G. Clinton Snell Chairman of the Board and Director	Mr. Snell is presently active as a Director of the Company, Trans-Canada Oils Ltd., and Coin Canyon Mines Ltd. From January 1, 1967, to July 8, 1969, Mr. Snell was President of Arctic Gold and Silver Mines Limited (N.P.L.), and prior to January, 1967, he was President of Canadian Folding Cartons Limited, an Ontario Company, and a Director of Somerville Industries Ltd.
Richard F. J. Newsom President and Director	Mr. Newsom is principally engaged as a self-employed Prospector, his principal business for the past five years, and he is President of Senate Mining and Exploration Limited, a private British Columbia Company.
James C. Snell Vice-President and Director	Mr. Snell is principally engaged as a self-employed Prospector and Geologist, his principal business for the past five years, and is President of Interprovincial Silver Mines Ltd. (N.P.L.), a public British Columbia Company.
Robert Hughes Treasurer and Director	Mr. Hughes has been President of Arctic Gold and Silver Mines Limited (N.P.L.) since July 8, 1969, and an Accountant with Interprovincial Silver Mines Ltd. (N.P.L.) and S & N Mine Management Consultants Ltd., a private British Columbia Company, since May, 1968. From August, 1966, to April, 1968, he was an Accountant with J. J. Brown and Associates Ltd. of Vancouver, British Columbia, and from June, 1965, to July, 1966, he was Assistant Comptroller with the Andrew Jurgens Co. Ltd. of Perth, Ontario.
Bryan J. Reynolds Secretary	Mr. Reynolds is a partner of Lawrence & Shaw, Barristers and Solicitors, Vancouver, British Columbia, and has been associated with that firm for the past five years.
John D. Pelletier Director	Mr. Pelletier has been an Officer of Equity Mining Capital Limited, a private British Columbia Investment and Management Company, since February, 1969. For more than four years prior to February, 1969, he was Planning Engineer for the San Manuel Mine Division of Magma Copper Company, San Manuel, Arizona.
Winslow W. Bennett Director	Mr. Bennett has been President of Equity Mining Capital Limited since it commenced business on January 1, 1969. For four years prior to October, 1968, he was Manager of Marketing with Placer Development Limited, Vancouver, British Columbia .
Perry V. Eakin Director	Mr. Eakin devotes his time to supervision of his investments in the United States, Canada and South America, and has done so for more than the past five years.
Adolf H. Lundin Director	Mr. Lundin has been Assistant Director of the Centre D'Etudes Industrielles, Geneva, Switzerland, since 1966. He is a Mining and Petroleum Engineer, and is also a Director of First Investors International Mining and Petroleum Fund of Luxembourg, and of James Capel International SA, a subsidiary of James Capel and Co., Investment Dealers, of London, England.

Officer or Director

Principal Business

Norman A. Patterson
Director

Mr. Patterson is employed by Midland, Osler and Co. Limited, Investment Dealers, of Vancouver, British Columbia, as Assistant Manager of the Vancouver office. He has been employed with Midland, Osler for the past five years and has served as Assistant Manager since November, 1969.

H. Stan Cornwell
Director

Mr. Cornwell is an employee of Donaldson Securities Ltd., Investment Dealers, of Vancouver, British Columbia. He has been with Donaldsons since October, 1968, and for more than three years prior to that date was employed by the Royal Bank of Canada as a Special Representative—Natural Resources.

Eberhard Mueller
Director

Mr. Mueller's principal occupation is an independent prospector and has been so for more than the past five years, except for the period January, 1969, to April, 1970, during which he served as President of Buffalo Lake Mines Ltd. (N.P.L.), a public British Columbia Company.

The Hon. Simon Fraser
Director

Mr. Fraser is associated with the Investment Research and Consultancy Branch of Hambros Investment Management Services Ltd., a subsidiary of Hambros Bank, London, England, and he has been with the Hambros Bank organization for more than the past five years.

FINANCIAL STATEMENTS

Exhibit A

ADANAC MINING & EXPLORATION LTD. (N.P.L.)

BALANCE SHEET AS AT JULY 31, 1970

ASSETS

CURRENT ASSETS:		\$	\$
Term Deposits	.....	489,358	
Accounts Receivable & Accrued Interest	.....	20,776	
Deposits & Prepaid Expenses	.....	471	510,605
INVESTMENT:	.....		184,000
MINERAL PROPERTIES:	.....		91,257
FIXED ASSETS—at cost less Accumulated depreciation	.....		117,679
DEFERRED COSTS:			
Exploration, development, and Administration	.....	1,335,785	
Incorporation	.....	1,506	1,337,291
			<u>2,240,832</u>

LIABILITIES

CURRENT LIABILITIES:			
Bank Overdraft	.....	11,948	
Accounts Payable and Accrued Liabilities	.....	16,146	28,094

SHAREHOLDERS' EQUITY

CAPITAL STOCK:			
Authorized—			
5,000,000 shares of 50¢ par value			
Issued and fully paid—			
750,000 shares for properties	.....	75,000	
2,245,602 shares for cash	.....	2,163,920	
		<u>2,238,920</u>	
2,995,602			
DEFICIT:	.....	(26,182)	2,212,738
			<u>2,240,832</u>

Signed on Behalf of the Board:

“J. D. PELLETIER”, Director

“ROBERT HUGHES”, Director

Unaudited

ADANAC MINING & EXPLORATION LTD. (N.P.L.)

STATEMENT OF DEFICIT FOR THE EIGHT MONTHS ENDED JULY 31st, 1970

	\$	\$
Balance beginning of period		1,093
Write off of costs related to option terminated during period		
Payments on option (Hyde)	7,150	
Exploration, Development and Administration Costs on optioned property	17,939	25,089
Balance end of period		<u>26,182</u>

Schedule 1

STATEMENT OF DEFERRED EXPLORATION, DEVELOPMENT AND ADMINISTRATION
COST FOR THE TEN MONTHS ENDED JULY 31, 1970

	\$ Month	\$ Year to Date	\$
EXPENSES to September 30, 1969			1,024,404
Transfer to deficit (Hyde Option)			<u>17,911</u>
			1,006,493
Assay	—	18,297	
Bulldozing	—	5,256	
Camp Maintenance	—	19	
Camp Set-up and Expenses	—	281	
Camp Supplies	—	282	
Consulting and Engineering	2,000	36,433	
Cookhouse	—	17,388	
Depreciation	2,537	23,858	
Drilling	—	66,732	
Feasibility Report	—	3,810	
Equipment Operation and Maintenance	—	3,991	
Equipment Rentals	—	60	
Field Office Supply and Expense	—	160	
Freight	—	2,255	
Fuel	(147)	(570)	
Insurance	—	693	
Licensed Vehicle Operation	—	722	
Maps and Mapping and Survey Costs	—	4,748	
Metallurgical Study	—	15,478	
Miscellaneous	—	22	
Recording Fees	—	7,156	
Taxes and Licences	—	183	
Telephone	—	3,461	
Travel	—	4,983	
Field Wages	—	17,147	
Wage Assessments	—	952	
	<u>4,390</u>	<u>233,797</u>	
Administration (Schedule 2)	7,323	95,494	
	<u>11,713</u>	<u>329,291</u>	329,291
			<u>1,335,784</u>

Unaudited

ADANAC MINING & EXPLORATION LTD. (N.P.L.)

ADMINISTRATION EXPENSES FOR THE TEN MONTHS ENDED JULY 31, 1970

					\$ Month	\$ Year to Date	\$
EXPENSES to September 30th, 1969	....	....	....				61,175
Transfer to deficit (Hyde Option)	....	....	....				362
							<u>60,813</u>
Accounting and Office Services	....	....	....	....	1,000	10,409	
Audit Fees	....	....	....	....	—	1,850	
Bank Charges	....	....	....	....	56	568	
Depreciation	....	....	....	....	525	4,502	
Dues, Fees and Subscriptions	....	....	....	....	—	320	
Legal Fees and Disbursements	....	....	....	....	—	19,904	
Management Fees	....	....	....	....	4,000	44,000	
Miscellaneous	....	....	....	....	31	31	
Office Rent	....	....	....	....	1,605	16,772	
Office Sundries	....	....	....	....	—	191	
Photocopy Expense	....	....	....	....	—	556	
Promotion and Advertising	....	....	....	....	628	2,199	
Registrar and Transfer Agent Fees	....	....	....	....	159	3,423	
Shareholders' Meeting	....	....	....	....	84	853	
Stationery and Printing	....	....	....	....	111	598	
Telephone and Telegraph	....	....	....	....	356	2,762	
Travel	....	....	....	....	1,702	11,110	
					<u>10,257</u>	<u>120,048</u>	
Less: Interest earned on Term Deposits	....	....	....		2,934	24,554	
					<u>7,323</u>	<u>95,494</u>	95,494
							<u>156,307</u>

Unaudited

Exhibit C

STATEMENT OF SOURCE AND USE OF WORKING CAPITAL FOR THE TEN MONTHS ENDED JULY 31st, 1970

					\$	\$
SOURCE						
Capital Stock issued for cash						
140,500 shares	....	....	....	....		313,369
USE						
Exploration, Development and Administration expense per Schedule 1	....	....			329,291	
Less: Depreciation, a charge not requiring use of working capital						
Plus: Current position of Deferred Costs written off	....	....			31,932	
					<u>297,359</u>	
Mineral properties—Option payments	....	....	....	....	12,005	
Purchase of fixed assets	....	....	....	....	14,075	323,439
						<u>10,070</u>
DECREASE in Working Capital	....	....	....	....		492,581
WORKING CAPITAL beginning of period	....	....	....	....		<u>482,511</u>
WORKING CAPITAL end of period	....	....	....	....		<u>482,511</u>
Represented by:						
Current Assets	....	....	....	....		510,605
Current Liabilities	....	....	....	....		28,094
WORKING CAPITAL end of period	....	....	....	....		<u>482,511</u>

Unaudited

ADANAC MINING & EXPLORATION LTD. (N.P.L.)

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD FROM OCTOBER 1st, 1969, TO JULY 31st, 1970

1. VALUES

The amounts shown for mineral properties and deferred costs represent costs to date and do not necessarily reflect present or future values.

2. INVESTMENT

As at July 31st, 1970, the Company owned 100,000 shares of Arctic Gold & Silver Mines Ltd. at a total cost of \$184,000. The market value of these shares at July 31st, 1970, was \$25,000.

3. MINERAL PROPERTIES

As at July 31st, 1970, the Company owned, or had the right to acquire under option and/or lease, the following mineral properties:

British Columbia (Atlin Mining Division)		\$
26 mineral claims at the value attributed to 750,000 shares of the Company	.....	75,000
148 mineral claims being acquired under option for cash consideration totalling \$20,000. The option is exercisable by payments in varying amounts to December, 1970; as at July 31st, 1970, the Company has paid	.....	13,000
44 mineral claims acquired by staking, at cost	.....	1,850
2 mineral claims acquired by staking, at a nominal value of \$1.00 each	.....	2
65 mineral claims under option to lease until March 1st, 1973, for a total consideration of \$25,005 at varying dates. To enter into a lease at that time the Company must expend a minimum of \$50,000 on the property and have paid the full sum of \$25,005. The lease, if taken up, will entail a royalty of 10% of the net profits from the property, with an advance payment on royalty of \$425,000 at the time the lease is signed. As at July 31st, 1970, the Company had paid	.....	5,005
		<u>94,857</u>

4. FIXED ASSETS

Fixed assets and related accumulated depreciation are:

	July 31st, 1970		
	Cost \$	Accumulated Depreciation \$	Net \$
Automotive equipment	40,000	24,203	15,797
Buildings and equipment	73,157	25,696	47,461
Office furniture and fixtures	19,573	4,528	15,045
Leasehold improvements	45,000	5,624	39,376
	<u>177,730</u>	<u>60,051</u>	<u>117,679</u>

5. CAPITAL STOCK

(a) Shares issued and related premiums net of discounts are:

	July 31st, 1970			
	Shares \$	Par \$	Premiums Net of (discounts) \$	Net \$
For mineral properties	750,000	375,000	(300,000)	75,000
For cash	2,245,602	1,122,801	1,041,119	2,163,920
	<u>2,995,602</u>	<u>1,497,801</u>	<u>741,119</u>	<u>2,238,920</u>

(b) During the period from October 1st, 1969, to July 31st, 1970, the Company issued 140,500 shares for a total cash consideration of \$313,369.

(c) At July 31st, 1970, there was an option to purchase 5,000 shares granted to a senior officer of the Company. These shares may be taken up in specified annual amounts to 1972 at prices 25% below market on the date of exercise.

(d) The Company entered into a management agreement during the period and as part of the consideration for management services, granted an option to purchase 140,000 shares at \$1.90 per share exercisable in specific annual amounts to August 31, 1971.

In addition, the Company also agreed not to alter or add to the presently existing rights of its common shares without the consent of the management company.

6. REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

During the period ended July 31st, 1970, the directors and officers of the Company, as defined by the British Columbia Securities Act, 1967, were paid aggregate remuneration totalling \$58,400. Included in this amount is \$50,000 for management fees paid to companies of which directors of the Company are principal shareholders.

